

AMENDED IN ASSEMBLY MAY 23, 2014

AMENDED IN ASSEMBLY MAY 1, 2014

AMENDED IN ASSEMBLY APRIL 7, 2014

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2577

Introduced by Assembly Members Cooley and Pan

February 21, 2014

An act to amend Section 14105.94 of the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2577, as amended, Cooley. Medi-Cal: ground emergency medical transportation services: supplemental reimbursement.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law authorizes certain ground emergency medical transportation providers to receive supplemental Medi-Cal reimbursement in addition to the rate of payment the provider would otherwise receive for those services. Existing law provides that participation in the supplemental reimbursement program by an eligible provider is voluntary, and requires the nonfederal share of the supplemental reimbursement to be paid only with funds from specified governmental entities.

This bill would include, as eligible providers, those that provide ground emergency medical transportation to Medi-Cal fee-for-service or managed care beneficiaries. The bill would also authorize the governmental entities to include, as the nonfederal share of expenditures for ground emergency medical transportation services, and in collaboration with the department, voluntary intergovernmental transfers (IGTs) that conform with federal law. The bill would provide specific timeframes for the implementation of these provisions.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14105.94 of the Welfare and Institutions
2 Code is amended to read:
3 14105.94. (a) An eligible provider, as described in subdivision
4 (b), may, in addition to the rate of payment that the provider would
5 otherwise receive for Medi-Cal ground emergency medical
6 transportation services, receive supplemental Medi-Cal
7 reimbursement to the extent provided in this section.
8 (b) A provider shall be eligible for supplemental reimbursement
9 only if the provider has all of the following characteristics
10 continuously during a state fiscal year:
11 (1) Provides ground emergency medical transportation services
12 to Medi-Cal fee-for-service or managed care beneficiaries.
13 (2) Is a provider that is enrolled as a Medi-Cal provider for the
14 period being claimed.
15 (3) Is owned or operated by the state, a city, county, city and
16 county, fire protection district organized pursuant to Part 2.7
17 (commencing with Section 13800) of Division 12 of the Health
18 and Safety Code, special district organized pursuant to Chapter 1
19 (commencing with Section 58000) of Division 1 of Title 6 of the
20 Government Code, community services district organized pursuant
21 to Part 1 (commencing with Section 61000) of Division 3 of Title
22 6 of the Government Code, health care district organized pursuant
23 to Chapter 1 (commencing with Section 32000) of Division 23 of
24 the Health and Safety Code, or a federally recognized Indian tribe.

1 (c) An eligible provider's supplemental reimbursement pursuant
2 to this section shall be calculated and paid as follows:

3 (1) The supplemental reimbursement to an eligible provider, as
4 described in subdivision (b), shall be equal to the amount of federal
5 financial participation received as a result of the claims submitted
6 pursuant to paragraph (2) of subdivision (f).

7 (2) In no instance shall the amount certified pursuant to
8 paragraph (1) of subdivision (e), when combined with the amount
9 received from all other sources of reimbursement from the
10 Medi-Cal program, exceed 100 percent of actual costs, as
11 determined pursuant to the Medi-Cal State Plan, for ground
12 emergency medical transportation services.

13 (3) The supplemental Medi-Cal reimbursement provided by this
14 section shall be distributed exclusively to eligible providers under
15 a payment methodology based on ground emergency medical
16 transportation services provided to Medi-Cal beneficiaries by
17 eligible providers on a per-transport basis or other federally
18 permissible basis. The department shall obtain approval from the
19 federal Centers for Medicare and Medicaid Services for the
20 payment methodology to be utilized, and may not make any
21 payment pursuant to this section prior to obtaining that approval.

22 (d) (1) It is the Legislature's intent in enacting this section to
23 provide the supplemental reimbursement described in this section
24 without any expenditure from the General Fund. An eligible
25 provider, as a condition of receiving supplemental reimbursement
26 pursuant to this section, shall enter into, and maintain, an agreement
27 with the department for the purposes of implementing this section
28 and reimbursing the department for the costs of administering this
29 section.

30 (2) The nonfederal share of the supplemental reimbursement
31 submitted to the federal Centers for Medicare and Medicaid
32 Services for purposes of claiming federal financial participation
33 shall be paid only with funds from the governmental entities
34 described in paragraph (3) of subdivision (b) and certified to the
35 state as provided in subdivision (e).

36 (e) Participation in the program by an eligible provider described
37 in this section is voluntary. If an applicable governmental entity
38 elects to seek supplemental reimbursement pursuant to this section
39 on behalf of an eligible provider owned or operated by the entity,

1 as described in paragraph (3) of subdivision (b), the governmental
2 entity shall do all of the following:

3 (1) Certify, in conformity with the requirements of Section
4 433.51 of Title 42 of the Code of Federal Regulations, that the
5 claimed expenditures for the ground emergency medical
6 transportation services are eligible for federal financial
7 participation. The governmental entity may elect to include, in
8 collaboration with the department, and as the nonfederal share of
9 expenditures for ground emergency medical transportation services,
10 voluntary intergovernmental transfers (IGTs), as long as the IGTs
11 are in conformity with federal law. If a governmental entity elects
12 to include IGTs as the nonfederal share of expenditures, the IGT
13 funds shall be submitted no later than November 1 of each year.

14 (2) Provide evidence supporting the certification as specified
15 by the department.

16 (3) Submit data as specified by the department to determine the
17 appropriate amounts to claim as expenditures qualifying for federal
18 financial participation.

19 (4) Keep, maintain, and have readily retrievable, any records
20 specified by the department to fully disclose reimbursement
21 amounts to which the eligible provider is entitled, and any other
22 records required by the federal Centers for Medicare and Medicaid
23 Services.

24 (f) (1) The department shall promptly seek any necessary federal
25 approvals for the implementation of this section. The department
26 may limit the program to those costs that are allowable
27 expenditures under Title XIX of the federal Social Security Act
28 (42 U.S.C. Sec. 1396 et seq.). If federal approval is not obtained
29 for implementation of this section, this section shall not be
30 implemented.

31 (2) The department shall submit claims for federal financial
32 participation for the expenditures for the services described in
33 subdivision (e) that are allowable expenditures under federal law.
34 If the state receives IGT funds as described in subdivision (e), the
35 department shall certify the IGT funds as the nonfederal share of
36 expenditures within 60 days of receiving the IGT funds. The
37 Controller shall transfer the federal financial participation received
38 as a result of claims for expenditures using IGT funds to the
39 department within 10 days of receiving the federal financial
40 participation.

1 (3) The department shall, on an annual basis, submit any
2 necessary materials to the federal government to provide assurances
3 that claims for federal financial participation will include only
4 those expenditures that are allowable under federal law.

5 (g) (1) The department shall distribute supplemental
6 reimbursement for eligible ground emergency medical
7 transportation providers for services provided to Medi-Cal managed
8 care beneficiaries to managed care plans within ~~15~~ 30 days of
9 receiving the federal financial participation.

10 (2) Each managed care plan shall, within 30 days of receiving
11 funds under paragraph (1), distribute 100 percent of the funds
12 received to the eligible ground emergency medical transportation
13 providers in accordance with subdivision (c).

14 (h) (1) If either a final judicial determination is made by any
15 court of appellate jurisdiction or a final determination is made by
16 the administrator of the federal Centers for Medicare and Medicaid
17 Services that the supplemental reimbursement provided for in this
18 section must be made to any provider not described in this section,
19 the director shall execute a declaration stating that the
20 determination has been made and on that date this section shall
21 become inoperative.

22 (2) The declaration executed pursuant to this subdivision shall
23 be retained by the director, provided to the fiscal and appropriate
24 policy committees of the Legislature, the Secretary of State, the
25 Secretary of the Senate, the Chief Clerk of the Assembly, and the
26 Legislative Counsel, and posted on the department's Internet Web
27 site.

28 (i) Notwithstanding Chapter 3.5 (commencing with Section
29 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
30 the department may implement and administer this section by
31 means of provider bulletins, or similar instructions, without taking
32 regulatory action.

33 SEC. 2. This act is an urgency statute necessary for the
34 immediate preservation of the public peace, health, or safety within
35 the meaning of Article IV of the Constitution and shall go into
36 immediate effect. The facts constituting the necessity are:

37 In order to capture federal financial participation at the earliest
38 possible time and ensure access to ground emergency medical

- 1 transportation for Medi-Cal beneficiaries, it is necessary that this
- 2 act take effect immediately.

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